

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2015-007-00013R

Parcel No. 8914-26-277-006

Diane M. Lantz,
Appellant,

v.

Black Hawk County Board of Review,
Appellee.

Introduction

This appeal came on for consideration before the Property Assessment Appeal Board (PAAB) on October 26, 2015. Diane M. Lantz is self-represented and requested her appeal be considered without hearing. Assistant County Attorney David Mason is counsel for the Black Hawk County Board of Review.

Lantz is the owner of a residential, one-story condominium located at 1216 Ashworth Drive #3, Cedar Falls, in the Green Village Townhomes subdivision. The subject property has 1305 total square feet of living area; a full, unfinished basement; a 440 square-foot attached garage; an open porch; a patio; and a deck. The dwelling is listed in average condition and with good construction quality (Grade 3+5). The site is 0.422-acres.

The property's January 1, 2015, assessment was \$173,320, allocated as \$11,490 in land value and \$161,830 to improvement value. Lantz's protest to the Board of Review claimed the assessment was not equitable as compared with assessments of other like property under section 441.37(1)(a)(1)(a). The Board of Review denied the petition.

Lantz appealed to PAAB reasserting her claim.

Findings of Fact

Lantz contends her property is inequitably assessed and the correct assessment is \$164,000. In support of her claim, Lantz identified three townhomes in the same subdivision as her property for equity comparison. She believes they are identical to her townhome, yet have lower assessments. The townhomes are all similar in design, floorplans, and age to Lantz's, and all have full, unfinished basements, decks, patios, and open porches. The following chart summarizes the property information.

Address	TSFLA	Garage	Base/Fin SF	2015 AV	AV PSF
Subject	1305	440	Full/0	\$173,320	\$132.81
1315 Amelia #3	1129	440	Full/0	\$159,760	\$141.51
1226 Ashworth #2	1129	440	Full/0	\$160,180	\$141.88
1305 Amelia #2	1129	440	Full/0	\$162,740	\$144.15

The main difference between Lantz's property and those listed is that the properties she selected all have 176 square-feet less in total living area. When compared on the basis of assessed value per-square-foot, Lantz's property is assessed at the lowest rate. Lantz did not provide any other evidence to support her claim of inequitable assessment.

The Board of Review submitted a letter prepared by County Assessor TJ Koenigsfeld. Koenigsfeld first notes the subject property sold in November 2013 for \$172,000 and again in December 2014 right before the assessment for \$175,000. Koenigsfeld also notes that the properties Lantz selected are all smaller than her property.

Koenigsfeld identified three properties for equity comparison, summarized in the following chart, which sold between October 2013 and December 2014 for \$181,000 to \$203,000 depending on the existence of basement finish.

Address	TSFLA	Garage	Base/Fin SF	2015 AV	AV PSF
Subject	1305	440	Full/0	\$173,320	\$132.81
1216 Ashworth #2	1305	440	Full/0	\$169,180	\$129.64
4805 Algonquin #2	1305	440	Full/500	\$192,570	\$147.56
4805 Algonquin #3	1305	440	Full/0	\$173,560	\$133.00

The properties Koenigsfeld identified were the same design, floorplan, and age as Lantz's property. The also had identical total square foot of living area and garage size. Only one property had basement finish and it had the highest assessment. Lantz's property was assessed roughly at the median on a per-square-foot value.

Koenigsfeld also identified comparable properties that recently sold in the subdivision as shown in the following chart.

Address	Date of Sale	Sale Price	2015 AV	Assessment/Sale s Ratio (rounded)
Subject	14-Dec	\$175,000	\$173,320	99%
4805 Algonquin #3	14-Dec	\$183,000	\$173,560	95%
1216 Ashworth #2	14-Jul	\$181,000	\$169,180	93%

Comparing the properties' assessments and sale prices produces an assessment/sales ratio. When property values and assessments are closely aligned, a ratio approaching 100% is achieved. The subject property sold in 2014 for \$175,000 in a normal sale transaction, which supports the assessment. With a ratio of 99.04%, the subject property's assessment is near that sale price.

Conclusions of Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2015). PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. §441.37A(1)(b). PAAB considers only those grounds presented to or considered by the Board of Review, but determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount.

§§441.37A(1)(a-b). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

In Iowa, property is to be valued at its actual value. § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available to determine market value then "other factors," such as income and/or cost, may be considered. § 441.21(2).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The six criteria include evidence showing

"(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination."

Id. at 711. The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of this actual value. *Id.* The *Maxwell* test may have limited

applicability now that current Iowa law requires assessments to be at one hundred percent of market value. § 441.21(1). Nevertheless, in some rare instances, the test may be satisfied.

Lantz offered three properties she considered comparable for an equity analysis. All of the properties had less total square feet of living area than her property, and accordingly had lower total assessments. Her assessment per-square-foot was below the compared properties. The assessor identified three properties with the same total square feet of living area as the subject property, which had similar assessed values per-square-foot that bracket Lantz's property assessment. Two of the properties and the subject property sold in 2014. Lantz's assessment, which is roughly at the median and sale price were closely aligned with a ratio of 99.04%. We find the data generally demonstrates equitability between the assessments.

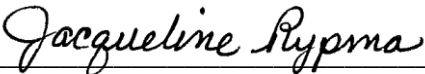
Lantz did not assert the Assessor failed to uniformly apply an assessing method to similarly situated or comparable properties. For these reasons, Lantz failed to show her property is inequitably assessed as compared to like properties.


Order

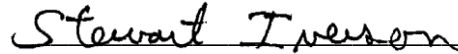
IT IS THEREFORE ORDERED that the Black Hawk County Board of Review's action is affirmed.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action. Any judicial action challenging this Order shall be filed in the district court where the property is located within 20 days of the date of this Order and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.

Dated this 20th day of November, 2015.


Jacqueline Rypma, Presiding Officer


Karen Oberman, Board Member


Stewart Iverson, Board Chair

Copies to:

Diane M. Lantz

David Mason